

Small Business Administration

§ 119.4

executive director, as of the date it files its application with SBA for a PRIME grant.

Local community means an identifiable area and population constituting a political subdivision of a state.

Low-income person means a person having an income, adjusted for family size, of not more than—

(1) For metropolitan areas, 80 percent of the median income; and

(2) For non-metropolitan areas, the greater of—

(i) 80 percent of the area median income; or

(ii) 80 percent of the statewide non-metropolitan area median income.

Microenterprise means a sole proprietorship, partnership or corporation that—

(1) Has fewer than 5 employees, including the owner; and

(2) Generally lacks access to conventional loans, equity, or other banking services.

Microenterprise development organization or program means a nonprofit entity, or a program administered by such an entity, including community development corporations or other nonprofit development organizations and social service organizations, that provides services to disadvantaged microentrepreneurs.

Qualified organization means an organization eligible for a PRIME grant identified under § 119.3.

Research and Development Grant means a grant made under the Act identified under § 119.4(c).

Severe constraints on available sources of matching funds means the documented inability of a qualified organization applying for a PRIME grant to raise matching funds or in-kind resources from non-Federal sources during the 2 years immediately prior to the date of its application because of a lack of or increased scarcity of monetary or in-kind resources from potential non-Federal sources.

Small microenterprise development organization or program means a microenterprise development organization or program with less than 10 full time employees or equivalents, including its executive director, as of the date it files its application with SBA for a PRIME grant.

Technical Assistance Grant means a grant made under the Act identified under § 119.4(a).

Training and technical assistance means services and support provided to disadvantaged entrepreneurs, such as, but not limited to, assistance intended to enhance business planning, marketing, management, financial management skills, business operations, or assistance for the purpose of increasing access to loans and other financial services.

Very low-income person means having an income adjusted for family size of not more than 150 percent of the poverty line, as defined in section 673(2) of the Community Services Block Grant Act, 42 U.S.C. 9902(2), including any revision required by that section.

§ 119.3 What types of organizations are eligible for PRIME grants?

An organization eligible for a PRIME grant ("qualified organization") is one that is:

(a) A microenterprise development organization or program as defined in § 119.2(q) (or a group or collaborative thereof) that has a demonstrated record of delivering microenterprise services to disadvantaged microentrepreneurs;

(b) An intermediary, as defined in § 119.2(l);

(c) A microenterprise development organization or program as defined in § 119.2(q) that is accountable to a local community, working with a State or local government or Indian tribe; or

(d) An Indian tribe acting on its own, if the Indian tribe can certify that no private organization or program referred to in paragraphs (a), (b) and (c) of this section exists within its jurisdiction.

§ 119.4 What services or activities must PRIME grant funds be used for?

A recipient of a PRIME grant ("grantee") must use PRIME grants to—

(a) Provide training and technical assistance to disadvantaged microentrepreneurs ("Technical Assistance Grant");

(b) Provide training and capacity building services to microenterprise